CHAPTER 201

GENERAL CARGO MOVEMENT PROVISIONS

A. PURPOSE

- 1. This regulation prescribes policies and procedures and assigns responsibilities for performing traffic management functions initiated or sponsored by Department of Defense (DOD) activities, to include the transportation and movement of materiel.
- 2. It also prescribes standard data elements, codes, formats, documents, forms, rules, methods, and procedures required by DOD Components, other United States (US) Government Agencies/civil authorities, and users of the Canada-United States Integrated Lines of Communication in the transportation and movement of materiel to, within, and outside the Defense Transportation System (DTS).
- 3. Defense Transportation Regulation (DTR) procedures apply to the Army, Navy, Air Force, Marine Corps, Defense Logistics Agency (DLA), Defense Contract Management Agency (DCMA), Coast Guard, General Services Administration (GSA), United States Transportation Command (USTRANSCOM) and its Transportation Component Commands (TCCs), and other activities/Agencies using the DTS. In some cases, when moving material by commercial carriers, only selected procedures and data elements are used.
- 4. There are no exclusions from these data/documentation requirements for shipments entering the DTS. Service or Agency regulations cover some shipments that might logically fit the description of movement in the DTS. Those DTS-like shipments not covered by the DTR are:
 - a. Coal and petroleum products shipped in bulk.
 - b. Annual resupply projects not entering the DTS.

B. POLICY

- This regulation governs the exchange of logistics data between the Services and Agencies and the
 routing of DOD-initiated or DOD-sponsored cargo shipments worldwide by commercial rail,
 motor, air, freight forwarder, pipeline, intermodal (including inland waterway, intra-coastal, intercoastal, ocean), and military transportation, with the exception of mobility movements outlined in
 this Regulation, Part III, Mobility. This regulation outlines authority assigned to the
 USTRANSCOM, TCCs, Theater Commanders (CDRs), (Unified CDRs, Theater CDRs,
 Geographic Combatant CDRs, and Combatant CDRs are synonymous) and Transportation
 Officers (TOs) in regard to providing transportation services.
- 2. USTRANSCOM, in conjunction with the Services and theater CDRs, provides technical direction and supervision over all traffic management functions incident to DOD passenger, cargo, mobility, personal property movements, customs activities, and management of intermodal containers and 463L pallet and net assets within the DTS during peace and time of war.

- 3. DOD activities are required to use the DTS services outlined in this regulation except when they are Service-unique or theater-assigned assets. Required DTS services, for the purpose of this regulation, include all services provided by TCCs and other agencies on their behalf.
 - a. Deviations or exemptions will not be approved unless the user establishes that the DTR does not provide workable methods or procedures. The DTR accommodates technological improvements; however, prior to tests of innovative procedures within selected segments of the DTS, the DTR Administration Office and all Agencies concerned will be advised. DTR users involved in the development of advanced logistics systems will establish liaison with the DOD DTR System Administrator. In addition, Service, theater commands, and Agency mobility plans will recognize DTR documentation requirements.
 - b. Maximum use is made of Automated Information Systems (AIS), Defense Switched Network (DSN), Electronic Data Interchange (EDI), Electronic Mail (e-mail), Facsimile (FAX), Worldwide Web (WWW), Defense Message System, Automatic identification Technology (AIT), and the Defense Data Network (DDN) to speed the exchange of DTR data. Services, Agencies, and theater commands establish communications methods for clearance authorities, terminals, and related activities requiring DTR data.
 - c. DTR documents are not classified unless the sponsoring Service assigns a security classification In Accordance With (IAW) DOD Regulation (DODR) 5200.1-R, <u>Information Security Program</u>. GSA assigns a security classification IAW Office of the Administrator Publication 1025.2D, HB, <u>Classified National Security Information</u>. When so classified, the integrity of the classification is protected within the DTS. Classified cargo will be moved IAW procedures in Chapter 205.

C. INDIVIDUAL MISSIONS, ROLES, AND RESPONSIBILITIES

- 1. The Assistant Deputy Under Secretary of Defense (Transportation Policy) (ADUSD[TP]) will:
 - a. Establish transportation and traffic management policy and oversee implementation of policy for effective and efficient use of DOD and commercial transportation resources.
 - b. Chair the DOD Transportation Policy Council, which provides a forum for coordinated review of DOD transportation policies, systems, and programs.

2. Service Secretaries will:

- a. Assign their transportation commands (Military Surface Deployment and Distribution Command [SDDC] of the Department of the Army, Military Sealift Command [MSC] of the Department of the Navy, and Air Mobility Command [AMC] of the Department of the Air Force) in times of peace and war to USTRANSCOM as TCCs under the USTRANSCOM Combatant Command (COCOM).
- b. Assign common-user transportation assets of the military departments to the USTRANSCOM COCOM, except for those Service-unique or theater-assigned transportation assets.
- c. Program, budget, organize, train, and equip forces for assignment to USTRANSCOM.

d. Resource and manage their transportation programs, which include base/installation transportation operations, and issue supplemental policy, procedures, and traffic management guidance in support of those operations.

3. The Chairman of the Joint Chiefs of Staff (CJCS) will:

- a. Staff and submit to the Secretary of Defense (SECDEF), through the Deputy Under Secretary of Defense (Logistics and Material Readiness) (DUSD [L&MR]), USTRANSCOM, and other officials, for approval:
 - (1) Changes to procedures for submission of transportation movement requirements to USTRANSCOM.
 - (2) Changes to the transportation movement priority system to ensure its responsiveness to the CDRs requiring transportation services.
- b. Recommend forces for assignment to USTRANSCOM to the SECDEF for approval, IAW 10 United States Code (U.S.C.), Section (§) 162, Combatant Commands: Assigned Forces; Chain of Command.
- 4. Service or Agency Headquarters (HQ) transportation staffs will:
 - a. Provide technical direction, management, and evaluation of the cargo traffic management aspects of the DOD transportation movement program, subject to the overall guidance, policies, and programs established by their Service or Agency and USTRANSCOM.
 - b. Ensure efficient, responsive, and quality transportation services and compliance with governing laws, directives, and regulations.
 - c. Direct development and implementation of DOD, Service, or Agency transportation policies, procedures, and programs.

5. USTRANSCOM will:

- a. Exercise COCOM of SDDC, MSC, and AMC in times of peace and war.
- b. Exercise COCOM of all assigned transportation assets of the military departments except for Service-unique or theater-assigned transportation assets, i.e., C-130 aircraft, port handling equipment, and other transportation assets.
- c. Provide management support for Service-unique or theater-assigned transportation assets when agreed by USTRANSCOM and a Service Secretary or a CDR of a unified command, or when so directed by the SECDEF.
- d. Submit to the SECDEF, through the CJCS, the DUSD (L&MR), and such other officials, for approval any changes to transportation, fiscal, procurement, or other DOD policies to implement this regulation.
- e. Establish and maintain relationships between the DOD and the commercial transportation industry to develop concepts, requirements, and procedures for the Civil Reserve Air Fleet

- (CRAF) and the Voluntary Intermodal Sealift Agreement (VISA). Any procedures so developed will take effect upon approval by the SECDEF.
- f. Ensure that transportation policy, procedures, and data requirements are fully integrated with overall DOD logistics interfaces.
- g. Provide air, land, and sea transportation in peace and war as the DOD single manager for transportation other than Service-unique or theater-assigned transportation assets. USTRANSCOM will align traffic management and transportation single manager responsibilities to achieve optimum responsiveness, effectiveness, and economy in times of peace and war and will perform such additional functions as outlined below:
 - (1) Exercise COCOM of all assigned forces, to include organizing and employing forces to carry out assigned missions and providing forces in support of other unified commands. USTRANSCOM will exercise COCOM through the TCCs. USTRANSCOM will direct AMC, MSC, and SDDC to perform missions and related responsibilities as noted in Paragraphs C.8, C.9, C.10, and C.11 of this Chapter or as may be necessary to carry out USTRANSCOM-assigned missions.
 - (2) Apply apportioned/allocated strategic mobility resources as directed by the SECDEF.
 - (3) Prescribe procedures for the submission of transportation requirements by the DOD Components to USTRANSCOM.
 - (4) Provide management support for Service-unique or theater-assigned transportation assets, to include pre-positioned ships, to the Secretaries of the military departments and the CDRs of unified commands at the direction of the SECDEF, or upon request of the Service Secretary or CDR concerned.
 - (5) Develop, prioritize, and make recommendations through the Joint Chiefs of Staff (JCS) to the Secretaries of the military departments and the DUSD (L&MR) on the capability, capacity, characteristics, design, and other requirements for mobility assets needed to execute DOD common-user transportation and strategic mobility objectives. Identify and support programming requirements, along with capital investment strategies, via the Planning, Programming, and Budgeting System.
 - (6) Establish and maintain relationships between the DOD and the commercial transportation industry (in coordination with the Department of Transportation [DOT]/Maritime Administration [MARAD], Federal Aviation Administration, and the National Transportation Safety Board) to promote the seamless transition from peace to war and improve interfaces between the DOD and industry
 - (7) Manage the Transportation Working Capital Fund (TWCF) financial operations, to include programming, budgeting, accounting, and reporting. Provide guidance for standardization of rates, regulations, and operational policies and procedures.
 - (8) Develop and implement, in coordination with the military departments, TWCF manpower management policy to maintain the USTRANSCOM visibility and adequate control of common-user transportation manpower and personnel assets. Establish procedures to program, account for, and document TWCF military and civilian manpower and personnel. Assess the functional impact of proposed manpower

- increments and decrements to the common-user transportation functions and recommend changes through the CJCS IAW DOD Directive (DODD) 5158.4, <u>United States Transportation Command</u>.
- (9) Control assigned funds made available from the National Defense Reserve Fleet (NDRF) for operations, maintenance, and lease of national defense sealift vessels operated under the TWCF.
- (10) Review and analyze Service-proposed organizational and mission changes within the TCCs that impact on the ability of USTRANSCOM to carry out its assigned responsibilities.
- (11) Ensure the effective and efficient use and control of US Government-owned or commercial strategic mobility resources and capabilities available to the DOD.
- (12) As the Head of Agency, establishes a contracting activity for procurement of commercial transportation services. Through the TCCs, coordinate and implement transportation and acquisition policy and ensure peacetime and wartime procedural compatibility. Assume financial responsibility through the management of the TWCF account and participate in the acquisition planning, monitoring, and oversight of TCC procurement execution. Develop acquisition strategies for execution by the TCCs to accomplish USTRANSCOM missions.
- (13) In support of the Service heads of an Agency, take action to facilitate the resolution of USTRANSCOM-unique requirements related to the procurement of transportation services.
- (14) Coordinate the forecasting and execution of validated transportation requirements on behalf of the DOD in both peace and war, to include channel approval. Advise the Joint Staff (JS) and other DOD Components when there is insufficient capability to meet requirements and make recommendations for actions to alleviate the shortfall.
- (15) Disseminate information to the DOD and Service authorities to facilitate the smooth flow of programming requirements, transportation movement requirements, and other information to ensure effective transportation operations within the DOD.
- (16) With the approval of the SECDEF and IAW the Memoranda of Understanding (MOU) with the DOT, augment the strategic mobility capability by activating strategic reserve or mobilization programs, such as CRAF, Ready Reserve Force (RRF), and VISA. Develop policies, requirements, concepts, and procedures and provide direction and oversight for the CRAF, RRF, VISA, and other established mobilization programs as assigned.
 - (a) Upon approval of the SECDEF and in coordination with the Secretary of Transportation (SECTRANS), USTRANSCOM will activate the RRF to meet operations/contingencies/CJCS exercises or, as prudent, take advance action to coordinate and plan with the DOT/MARAD the possible RRF activation in anticipation of actual requirements. When military operations require civil shipping support, advise DOT/MARAD that activation of the VISA is under consideration and request that DOT/MARAD prepare an economic impact statement. Forward a recommendation to SECDEF and transmit, for signature, a proposed memorandum

- to the SECTRANS requesting concurrence in the activation of the VISA. Upon approval of VISA activation, direct MSC to arrange with ship operators for the acquisition of particular ships.
- (b) Activate, with concurrence of the SECDEF, any CRAF stage or segment to fulfill commercial air augmentation of the DOD airlift fleet.
- (c) Recommend, through the SECDEF, in coordination with the SECTRANS, Presidential action to enable requisitioning of ships IAW 46 U.S.C. § 1242, Shipping, and 50 U.S.C. § 196, Emergency Foreign Vessel Acquisition; Purchase or Requisition of Vessels Lying Idle in United States Waters.
- (17) Serve as the principal DOD focal point with MARAD on RRF issues, to include fleet composition, activation, maintenance, and readiness standards IAW MOU and/or Memorandum of Agreement (MOA).
- (18) Monitor and evaluate Service readiness programs for active and reserve component units that support USTRANSCOM missions.
- (19) Coordinate with the unified commands for the protection of USTRANSCOM assets, Host Nation (HN) transportation, negotiate/review international support agreements, and other related support to USTRANSCOM forces.
- (20) Within mission responsibilities, maintain oversight of those dockets, proposals, and notices of federal, judicial, state, municipal, or other US Government agencies, and commercial entities on rates and services that may affect military transportation and traffic management needs and authorities. Alone or through the components, represent the DOD, or coordinate with DOD or other US Government agencies on legislative, legal, or regulatory issues to protect or promote DOD transportation interests IAW Department of Defense Instruction (DODI) 4500.17, Proceedings Before Transportation Regulatory Bodies.
- (21) Negotiate and consummate support agreements, assignments, and delegations of functions and authority, as required IAW DODI 4000.19, <u>Interservice and Intragovernmental Support</u>, and act as the Point of Contact (POC) for operational agreements within the DTS.
- (22) Nominate the chairperson of the Transportation Committee of the Defense Acquisition Regulations Council. The Transportation Committee chairperson manages the formulation and evaluation of proposed transportation acquisition policy for inclusion in acquisition regulations.
- (23) Conduct deliberate and execution transportation planning for DOD Components IAW the Joint Strategic Planning System (JSPS) and the Joint Operation Planning and Execution System (JOPES).
- (24) Act as facilitator for all meteorological and oceanographic data used in deliberate and execution planning conducted IAW the JSPS and JOPES.
- (25) Integrate, in coordination with the DOD Components and the transportation industry, the DOD transportation-related Command, Control, Communications, and Computer

- Systems (C4S) by maintaining the Global Transportation Network (GTN). USTRANSCOM will coordinate and provide worldwide GTN training.
- (26) Promote the development, production, and fielding of transportation and C4S that enhance the effectiveness of the DTS and establish a C4S requirements baseline and validate emerging C4S requirements to ensure integration and efficiency of developing systems with existing systems.
- (27) Act as the DOD administrator for all transportation data to ensure the automated systems supporting the DTS are compatible and/or interoperable in support of Corporate Information Office goals and objectives. Establish and coordinate transportation data standards and protocols and provide transportation data for the logistics portion of the Defense Data Repository System.
- (28) Serve as the program manager for Defense Transportation Electronic Business.
- (29) Serve as DOD single manager for intertheater medical regulating. Conduct Continental United States (CONUS) medical regulating by exercising authority, direction, and control over the Global Patient Movement Requirements Center (GPMRC). Provide the systems, policies, and procedures to regulate patients into other theaters from combat theaters. Maintain, train, and deploy medical regulating teams (Category A reservists).
- (30) Serve as the principal focal point to develop, coordinate, and execute a DOD strategy for production of transportation intelligence to satisfy strategic mobility requirements; develop DOD standards for transportation intelligence products; and coordinate the transportation intelligence production efforts of other organizations under the Distributed Production Program. Produce transportation intelligence in support of USTRANSCOM and component mission planning and execution.
- (31) Propose DOD intermodal system policies for SECDEF approval and prescribe the procedures for implementation. Advocate DOD intermodal system programs that will optimize strategic mobility.
- (32) Provide direction and oversight for the Joint Logistics Over-the-Shore Program (JLOTS).
- (33) Act as lead agent for transportation publications, as assigned by the CJCS or SECDEF.
- (34) Serve as the DOD advocate to incorporate effective transportation engineering techniques and characteristics into DOD transportation processes, equipment, and facilities.
- (35) In coordination with other agencies, provide direction and oversight for all matters dealing with the transportation of Hazardous Materials (HAZMAT).
- (36) Provide direction and oversight of commercial passenger airlift and other quality control programs affecting transportation operations.
- (37) Perform continuing analysis of the DTS to improve the quality of service to the customer. Change procedures to enhance customer service and make recommendations to the JS and SECDEF for policy changes.

- (38) Designate, in consultation with the Services, CONUS Seaports of Embarkation (SPOEs), Aerial Ports of Embarkation (APOEs), Seaports of Debarkation (SPODs), and Aerial Ports of Debarkation (APODs) for deploying/redeploying forces and sustainment during planning and execution. Make recommendations to the theater CDRs for designation of Outside Continental United States (OCONUS) SPODs/APODs and/or embarkation for redeploying and/or deploying forces and sustainment during planning and execution.
- (39) Establish Command Arrangement Agreements with the unified commands and enter into a MOA/MOU with other agencies to execute USTRANSCOM missions.
- (40) Provide operational reports as required by DODI 4100.31, <u>Reports on Single Manager Operations</u>.
- (41) Communicate and coordinate directly with all DOD Components and with other departments and agencies of the Government in matters relating to USTRANSCOM missions
- (42) Serve as the DOD focal point for all international cooperative airlift agreements.
- (43) Furnish, through the CJCS, for SECDEF approval, changes to DOD transportation policy.
- (44) Perform approval authority functions by coordinating all DTR changes with the Services and DLA.
- (45) Perform other missions, as directed by the SECDEF.
- 6. The Joint Mobility Control Group (JMCG) will:
 - a. The JMCG consists of the Deployment Distribution Operations Center (DDOC), GPMRC, Joint Intelligence Center Transportation (JICTRANS), the TCCs Command and Control (C2) centers and the Joint Operational Support Airlift Center (JOSAC).
 - b. The JMCG exemplifies the concept of centralized control and decentralized execution of DTS movement requirements and is the focal point to orchestrate and optimize DTS operations in support of the Theater CDRs and other customers. The JMCG improves DTS efficiency and effectiveness through maintaining visibility of transportation assets and requirements, providing alternative recommendations on transportation options, eliminating redundant functions, improving operations modeling and feasibility estimation, and improving coordination between USTRANSCOM C2 nodes. It provides for an operational environment where execution functions remain at the TCCs. The JMCG overarching responsibilities include:
 - (1) Enacting USTRANSCOM's responsibility as the single manager of the DTS.
 - (2) Bringing US transportation resources to bear against any movement task.
 - (3) Providing visibility of all movement requirements.
 - (4) Providing C2 of global mobility forces and other assets.

- 7. The DDOC. The USTRANSCOM DDOC is the single location for managing all movement requirements. The DDOC is comprised of requirements and customer service teams and includes a meteorological and oceanographic cell, a medical cell, and an intelligence representative. The DDOC serves as the single face to the customer on all requirements moving within the DTS. The DDOC also performs:
 - a. Transportation feasibility analyses.
 - b. Deployment estimates.
 - c. Cost estimates.
 - d. Requirements confirmation.
 - e. Shortfall identification.
 - f. Mode selection.
 - g. Requirements consolidation recommendations.
- 8. TCCs (AMC, MSC, and SDDC) will:
 - a. Take all required actions within law, executive order, and regulation to support USTRANSCOM in executing their missions.
 - b. Ensure the effective and efficient use of USTRANSCOM-controlled and commercial transportation services for the DOD.
 - c. Prepare recommendations for USTRANSCOM on the design, specifications, and equipping of strategic mobility assets. In collaboration with Government agencies, study, analyze, and recommend improvements in strategic mobility systems.
 - d. Develop, establish, and operate data systems, within the technical and functional parameters and standards established by USTRANSCOM and in coordination with ADUSD TP, to integrate DOD transportation information worldwide and provide transportation and In-Transit Visibility (ITV) data for the CDRs and DOD Components.
 - e. Manage TWCF activities, incur obligations and costs to perform the activity mission, prepare and submit TWCF transportation financial reports to USTRANSCOM/Office of the Secretary of Defense (OSD), and identify to USTRANSCOM any impediments to achievement of performance cost goals.
 - f. Submit to USTRANSCOM for coordination and analysis any proposed major organizational or manpower changes affecting TWCF functions that would result in activity closure or reduction-in-force of civilian personnel.
 - g. Identify the split between common-user transportation and Service-unique manpower assets in coordination with USTRANSCOM and the military departments. Identify common-user (TWCF funded) manpower and assigned personnel with discrete Program Element Code or other agreed upon coding established and controlled through USTRANSCOM. Plan, program, budget, account for, and maintain manpower authorization documents for TWCF

- funded manpower. Coordinate all TWCF funded manpower adjustments with USTRANSCOM. Notify USTRANSCOM of any Service-levied manpower or personnel ceilings, constraints, or restrictions impacting TWCF assets.
- h. Submit acquisition packages for procurement of USTRANSCOM-related transportation services and equipment to USTRANSCOM for review and coordination.
- i. Develop and submit TWCF program and budget submissions and associated reports to USTRANSCOM IAW established procedures.
- j. Notify USTRANSCOM, IAW established procedures, of the receipt or initiation of any claim by or against a contractor in excess of \$1 million.
- k. Submit to USTRANSCOM, for forwarding to higher HQ, all prepared statements and supporting material for congressional hearings and proposed legislative packages. Submit to USTRANSCOM copies of responses to congressional inquiries relating to common-user DTS initiatives.
- Submit to USTRANSCOM, for forwarding to higher HQ, all prepared responses to audit reports relating to common-user DTS issues. Report to USTRANSCOM all DTS-related internal control weaknesses identified under DODD 5010.38, <u>Management Control (MC)</u> Program.
- m. Recommend to USTRANSCOM policies and programs on the effective acquisition of freight and passenger transportation services from all modes of transportation within the CONUS and OCONUS.
- n. Review and analyze such proposals, notices, decisions, regulations, and laws, of federal, state, and local agencies, courts, legislatures, and commercial entities that affect the USTRANSCOM mission.
- Provide program and budget submissions to the military departments for strategic mobility requirements IAW established procedures. Keep USTRANSCOM informed of the status of these requirements while Service programs are under development and after completion of their Program Objective Memoranda.
- p. Review, analyze, and submit recommendations to USTRANSCOM on Consolidation and Containerization Points (CCPs) after coordination with DLA.
- q. Perform strategic deployment analysis of transportation systems. Analyze constraints and capabilities of DTS modes and subsystems that support strategic mobility. Coordinate with other DOD Components on installation outload capability and enhancement programs.
- r. In coordination with USTRANSCOM, develop MOA and MOU and other similar documents to formalize commitments of transportation services within the limits of the policies prescribed by this regulation. Examine all such documents to bring them in compliance with this regulation and submit them to USTRANSCOM for approval prior to final signature.
- s. Provide deliberate and execution-planning support to USTRANSCOM to ensure effective and efficient use and control of transportation assets and services.

- t. Provide USTRANSCOM with copies of internal regulations concerning the acquisition of transportation services. Coordinate with USTRANSCOM all changes, revisions, and new internal regulations that would either require subsequent action from USTRANSCOM or that would supplement specific USTRANSCOM guidance previously received.
- u. Provide recommendations for and information pertaining to diversions of cargo, personal property, and passengers within the DTS. Diversions will be made only with concurrence of the affected shipper, Service, Agency, or CDR.
- v. Develop and publish transportation publications as assigned by USTRANSCOM.
- w. Serve as the USTRANSCOM POC for the establishment, amendment, or clarification of rules and regulations of the regulatory bodies governing safe and secure transportation of explosives and other HAZMAT.
- x. Inform USTRANSCOM of Service-assigned missions.
- y. Perform other mission tasks as directed by USTRANSCOM.
- z. Procure commercial transportation services, to include data reporting requirements.
- aa. AMC, MSC, and SDDC make port software changes.

9. The CDR AMC will:

- a. Act as single manager, on behalf of USTRANSCOM, for airlift, intertheater, intratheater, and CONUS aeromedical evacuation, aerial refueling support, and support services to the DOD Components as required by USTRANSCOM.
- b. Be responsible for all airlift procurement and negotiation and serve as the single face to industry for airlift matters.
- c. Recommend the size of passenger groups and the size of release unit cargo, in conjunction with USTRANSCOM and affected DOD Components.
- d. Prepare short-range and long-range forecasts of strategic air transportation requirements and match them with capabilities of the DOD, based on an evaluation of requirements.
- e. Procure all commercial air mobility services. Administer and negotiate the GSA Airline City Pairs Contract in conjunction with GSA and in coordination with DOD Components.
- f. Administer and execute the CRAF program. Recommend to USTRANSCOM the activation of CRAF, to include required stage(s) and/or segment(s) to meet airlift/aeromedical requirements. Prepare documentation to activate the CRAF and 49 U.S.C., Chapter 443, Insurance. Request Secretary of the Air Force Indemnification Program activation and any waivers. Monitor and manage AMC-assigned missions of these forces upon activation.
- g. Perform capability inspections (semi-annually) necessary to certify air carriers for the safe movement of DOD cargo and passengers. Interface with other Federal Agencies to determine civil air carrier eligibility and suitability to provide service.

- h. Operate a worldwide passenger reservation system for international travel aboard AMC transport aircraft and commercial contract airlift.
- i. Provide USTRANSCOM information on the availability of AMC organic and controlled commercial strategic air mobility capability.
- j. Through USTRANSCOM, serve as the DOD focal point for international cooperative airlift agreements.
- k. Provide host support for USTRANSCOM, including contracting and personnel support.
- 1. Operate, or arrange for operation of, common-user aerial ports/air terminals within the CONUS or OCONUS based on agreements with the theater CDRs, to include contracting for terminal services.
- m. Act as the sole negotiator within the CONUS with commercial firms on rates and other matters incidental to air transportation of freight.
- n. Provide USTRANSCOM information on the availability of AMC-owned and AMC-controlled commercial air mobility capability.
- o. Act as single POC with the commercial airline industry for USTRANSCOM for procurement of DOD domestic and international airlift services.
- p. Perform contract air administration duties and implement a quality assurance evaluation program for contract commercial airlift services.
- q. Determine and arrange the best means available for obtaining supplemental surface transportation, i.e., bus service incidental to commercial air movement.
- r. Promote the requirements, development, protection, and fielding of C4S to support ITV for air transportation.
- s. Make port software changes.

10. The CDR SDDC will:

- a. Provide surface and surface intermodal traffic-management services, common-user ocean terminal support, and transportation engineering support to the DOD Components as directed by USTRANSCOM. Provide rates (other than intermodal rates, including ocean rates), routing, and carrier performance quality control.
- b. Negotiate rates and other matters incidental to surface transportation of freight within the CONUS and, as directed by USTRANSCOM, intermodal rates.
- c. Negotiate and administer the DOD Personal Property Shipment and Storage Program, as directed by USTRANSCOM, administer the DOD Privately-Owned Vehicle Import Control Program, and act as the sole negotiator, worldwide, with commercial firms on rates and other matters incidental to storage services for all personal property.

- d. Operate, or arrange for operation of, common-user ocean terminals within the CONUS or OCONUS based on agreements with the theater CDRs, to include contracting for terminal services.
- e. Administer the US Government car/van/truck rental program.
- f. Administer the surface commercial carrier quality assurance program.
- g. Administer the DOD Worldwide Cargo Loss and Damage Reporting Analysis System.
- h. Provide ocean cargo booking for the DOD Components.
- i. Arrange for movement of DOD-sponsored surface export cargo and act as the Ocean Cargo Clearance Authority (OCCA) IAW this regulation.
- j. Serve as the USTRANSCOM agent for highways, pipelines, ports, and railroads for national defense and administer other modal national defense programs as directed by the SECDEF.
- k. Provide operational management of defense intermodal common-user containers and establish a worldwide DOD surface container management and control system.
- 1. Provide USTRANSCOM with information on the availability of SDDC-controlled commercial mobility capability.
- m. Prepare forecasts of ocean and maritime common-user transportation services based on the requirements of the DOD Components.
- n. Consolidate peacetime shipper service and unified commands surface transportation requirements and provide these to MSC. During contingency or wartime, assist USTRANSCOM with the clarification and consolidation of surface requirements from supported Theater CDRs.
- o. Operate an Operations Center with the mission to serve as the single USTRANSCOM focal point for the execution of surface intermodal movements within the DTS and with the following responsibilities:
 - (1) Procure and book surface intermodal movement requirements.
 - (2) Maintain intermodal shipping schedules and the Integrated Booking System (IBS).
 - (3) Provide the Defense Finance and Accounting Service (DFAS) with supporting documentation to generate customer bills.
 - (4) Manage related support systems.
 - (5) Negotiate ocean rates and, as directed by USTRANSCOM, intermodal rates and related services to meet DOD ocean and intermodal transportation requirements. Perform Administrative Contracting Office (ACO) and Contracting Officer's Representative (COR) duties.
 - (6) Manage the Defense Freight Railway Interchange Fleet (DFRIF), which is required to supplement the capability of commercial transportation carriers.

- p. Upon request of AMC, provide data residing in Statistical Collection of Passenger Travel (STATCO) for use in the GSA Airline City Pairs Contract.
- q. Be responsible for all surface passenger procurement negotiations and serve as the single face to the surface passenger carrier industry.
- r. Administer the DOD Military Bus Agreement.
- s. Administer the DOD Military Rail Agreement.
- t. Work with the Services and the Railway Industry in the development and/or modification of railroad switching and trackage agreements involving military installations.
- u. Issue military necessity letters essential to the National Defense to State DOT offices involving over dimension and overweight and/or special freight moving by the commercial trucking industry.
- v. Enforce commercial carrier industry to comply with DTR ITV requirements for tracking purposes.
- w. Schedule a personal property Staff Assistance Visit (SAV) for each Personal Property Shipping Office (PPSO) within their Area of Responsibility (AOR) once every two years. Supported Personal Property Processing Offices (PPPO) will be included in the SAV. The purpose of the SAV is to assist the PPSO in executing personal property traffic management program initiatives and evaluate program effectiveness. Visits will be coordinated with the Service/Agency HQ or major command to avoid duplication of effort.
 - (1) SAV dates will be coordinated with the PPSO at least 45 days in advance, followed up in writing with information copies to the Service/Agency HQ or major command.
 - (2) The SAV representative will prepare a report of visit within 30 days following completion of the SAV addressed to the PPSO/PPPO visited, with information copy to the Service/Agency HQ or major command.
- x. Coordinate Transportation Management Advisories (TMAs) with USTRANSCOM.
- y. Make port software changes.

11. The CDR MSC will:

- a. Provide ocean transportation, including ocean movement and support services, to the DOD Components as directed by USTRANSCOM.
- b. Provide USTRANSCOM and SDDC with information on the availability and status of ships in the Government-owned and MSC-controlled fleet, including chartered commercial ships.
- c. Charter vessels.
- d. Administer and execute the VISA, oversee the RRF in concert with DOT/MARAD, oversee ships requisitioned, and exercise operational control over those mobilization forces on behalf of USTRANSCOM

- e. Recommend to USTRANSCOM activation of the RRF, the VISA, requisitioning of USowned ships, or the acquisition or activation of foreign ships or other established mobilization programs IAW 50 U.S.C., § 196, and DODD 4140.1, <u>Materiel Management Policy</u>.
 - (1) When activation is under consideration, MSC, based upon information provided by the JCS/CDRs through USTRANSCOM, will inform the DOT/MARAD of actual or projected requirements for RRF ships or requisitioning. When directed by USTRANSCOM, MSC will request that the DOT/MARAD activate required RRF ships. Operational Control (OPCON) of ships will be transferred from the DOT/MARAD to MSC at activation.
 - (2) RRF activation, IAW law, is authorized under the following criteria:
 - (a) To meet a need for sealift capacity that can only be satisfied by a ship in the RRF, subject to conditions contained in the DOD and DOT MOA.
 - (b) To support deployment, sustainment, redeployment, and other transportation requirements of US armed forces in military contingencies.
 - (c) In support of CJCS exercises.
 - (d) For civil contingency operations upon orders from the SECDEF.
 - (e) Testing for readiness and suitability for mission performance.
 - (f) In connection with a transfer.
 - (3) Ships activated IAW the above will not be in competition with, substitute for, or displace privately owned US flag vessels.
 - (4) MSC, in conjunction with USTRANSCOM, will determine the RRF ship(s) to be used to support the customer's lift requirements based upon availability, suitability, cost, and other factors. Ship activation dates will be a part of the selection process used to ensure different ships are activated. MSC will coordinate with the DOT/MARAD for the activation of requested ship(s).
 - (5) The requirement to activate RRF shipping to test for readiness and operational performance will be considered in the determination of ship activation for use in a contingency deployment or an exercise. Periodic activation is required to ensure ships are able to meet their breakout schedules and to enhance the readiness of the RRF. MSC will coordinate with the DOT/MARAD to preclude the activation of the same vessel repeatedly and to ensure the RRF Activation Plan is followed.
 - (6) When activating ships, USTRANSCOM and MSC will determine the type of ship best suited to complete a mission by utilizing factors discussed in Paragraphs C.11.e.(2)(a) through C.11.e.(2)(e) above and known funding constraints. When activating RRF ships, MSC will use the RRF Activation Plan and lift requirements to decide which ship(s) will be nominated to support an operation, mission, or exercise.

- (7) Upon Presidential approval of authority to requisition ships, and when directed by USTRANSCOM, MSC will request that the MARAD requisition specific ships, which will be transferred from the DOT/MARAD to MSC after they are requisitioned.
- (8) MSC will notify ship owners which of their vessels are being considered for call up under the VISA. When directed by USTRANSCOM, MSC will notify ship owners which of their vessels are being considered for requisitioning and arrange for acquisition of particular ships with ship operators while keeping the DOT/MARAD informed.
- f. Act as the USTRANSCOM scheduling authority for ocean transportation (sealift) ships to support DOD requirements.
- g. Study, analyze, and recommend requirements for ocean transportation systems.
- h. Approve stowage plans and their implementation to ensure seaworthiness of the ship, safety of the cargo, and efficient use of ship space.
- Billet and exercise control of all passengers aboard MSC ships. Administrative control may be exercised by the Services concerned. Assignment of supercargo personnel will be managed by MSC in coordination with SDDC and the supported CDR and his/her components.
- i. Coordinate MSC operations with port authorities.
- k. Promote the requirements, development, protection, and fielding of C4S to support ITV for ocean transportation.
- 1. Make port software changes.
- 12. The Area, Activity, or Installation CDR (or their delegated representative[s]) will appoint a military member or civilian employee (not a contractor) as TO to execute DOD traffic management policy and procedures to obtain transportation services. The appointed TO will be a fully trained and equipped member/employee of the activity or installation CDR's technical staff. Appointment will be accomplished by special order of the area, activity, or installation CDR IAW regulations of the military departments concerned.

13. The TO will:

- a. Provide efficient, responsive, and quality transportation services within the assigned AOR and ensure compliance with governing laws, directives, and regulations for cargo, personal property, and unit moves.
- b. Provide technical direction, management, and evaluation of the traffic management and unit movement aspects of the DOD transportation movement program on a worldwide basis, subject to the overall guidance, policies, and programs established by USTRANSCOM, the Code of Federal Regulations (CFR), and DOD Components.
 - (1) Prepare and edit shipment documentation to ensure quality electronic data and timely submission to support total movement business processes IAW timeliness criteria for higher level visibility, force systems, and downline stations.

- (2) Support contingency, mobility, natural disaster, and humanitarian relief requirements.
- c. Act as a COR, alternate COR, or ordering officer when traffic management functions are served under contracts.
- d. Appoint one or more military members, civilian employees, or contractor personnel as Transportation Agent (TA) to assist the TO in his/her responsibilities. This may be accomplished by letter, which is to be retained in the transportation office. Service-unique procedures may require the TOs to request TAs be appointed by their CDR. Contractor personnel will not be appointed to perform any function involving the obligation or expenditure of Government funds. This is also applies to tenant units.
- e. Seek Antiterrorism/Force Protection (AT/FP) advice from the installation Force Protection Working Group.
- f. Include AT/FP considerations in local transportation publications and procedures.
- g. Plan, prepare, and document shipments IAW this regulation.
- 14. A Mobility Officer (MO) is the person(s) designated or appointed for planning, coordinating, and/or executing mobility operations for assigned or supported units. Responsibilities are further covered in DOD Component regulations.
- 15. Departure/Arrival Airfield Control Group, Port Support Activity, Beach and Terminal Operations, or Tanker Airlift Control Element (TALCE) will act as a focal point between the unit requiring movement and the arrival and departure point activity at the Port of Embarkation (POE) and Port of Debarkation (POD).
- 16. Service Clearance Authorities (identified in Appendix R, this Regulation, Part II, <u>Cargo Movement</u>) are responsible for reviewing cargo scheduled for shipment to review the identified mode of transportation, i.e., surface or air, and issue shipment challenges IAW this Regulation, Part II, Chapter 203.

D. REGULATORY BODY PROCEEDINGS

- 1. USTRANSCOM will review respective dockets and notices issued by regulatory bodies affecting transportation between points within the US and its territories to determine DOD interest and required action. DOD personnel will not participate in, or supply information to, a transportation regulatory body without prior approval of USTRANSCOM, TCC, or theater CDR, unless subpoenaed to testify. When DOD personnel are required by subpoena to testify in proceedings before a transportation regulatory agency, prompt notice will be sent to USTRANSCOM IAW DODI 4500.17. Additionally, DOD personnel will notify their component HQ.
- 2. Requests for information will be acted upon IAW DOD Component publications.

E. DCMA-ADMINISTERED CONTRACTS

- 1. IAW the Federal Acquisition Regulation (FAR), contract management may be delegated to DCMA for full management or for transportation support only. The management office TO will provide traffic management functions IAW contract terms and DCMA Policy available at http://www.dcma.mil (use Internet Explorer) and then selecting Policy, http://home.dcma.mil/onebook/tblofcon.htm, and T (for Transportation and Traffic Management).
- 2. DCMA TOs may delegate traffic management authority to qualified contractors by written agreement IAW DCMA Instruction/Guidebook.

F. ACTIVITY CHANGE OF STATUS OR MISSION

The TO or other DOD Component authority, projecting any change of status or mission of a Service-owned or sponsored activity that will result in significant change to transportation requirements, will request planning information on transportation rates, costs, and other transportation management data from the SDDC Operations Center, Attn: SDG3-G, 661 Sheppard Place, Ft. Eustis, VA 23604-1644 or the theater CDR. When the final decision is made regarding the activity's change of status or mission, notify the SDDC Operations Center or the theater CDR as far in advance as possible to enable negotiations with commercial carriers for transportation rates and services.

G. COMMERCIAL CARRIER INQUIRIES

- 1. Information furnished carriers in response to inquiries concerning cargo shipments that have taken place will be confined to facts on their respective traffic routing, except as restricted by security regulations.
- 2. Freedom of Information Act (FOIA) inquiries pertaining to transportation issues will be coordinated with the cognizant FOIA office.
- Carriers must file their rates and services electronically on a MT Form 364-R, <u>Department of Defense Standard Tender of Freight Services</u>, available at http://www.sddc.army.mil/CONTENT/1498/364R.pdf. If the carrier is unable to access this site electronically, contact the SDDC Customer Service Branch at Commercial 757 878-7480 or DSN 826-7480 for instructions for filing manual forms.

H. TRAFFIC MANAGEMENT UNDER EMERGENCY CONDITIONS

1. Emergency traffic management procedures in the CONUS will be implemented upon the proclamation of a state of national emergency by the President of the US and by concurrent resolution of Congress.

2. SDDC will:

a. Maintain and provide an Emergency Traffic Management Plan (ETMP) to support the National Plan for Emergency Preparedness, the Joint Strategic Capabilities Plan, unilateral plans of the DOD Components, and DOD guidance and directives. The ETMP provides guidance to DOD Components for traffic management functions and operations under emergency conditions. Distribution of the ETMP will be made to DOD Component HQ.

b. Activity CDRs will direct TOs to implement emergency procedures according to restrictions imposed on commercial transportation by governmental control agencies. TOs will implement procedures in this regulation to the extent warranted by emergency conditions.

I. PUBLIC HIGHWAY REQUIREMENTS

Through the Highways for National Defense Program (HND), the SDDC Transportation Engineering Agency (TEA) is responsible for assisting the Services and installations with resolving public highway needs. For additional guidance, refer to Army Regulation (AR) 55-80/Navy Operational Instruction (OPNAVINST) 11210.2/Air Force Manual (AFMAN) 32-1017/Marine Corps Order (MCO) 11210.2D/Defense Logistics Agency Regulation (DLAR) 4500.19, <u>DOD Transportation Engineering Program</u>, or contact SDDC TEA at DSN: 927-4313, Commercial: 757 599-1117 or 800 722-0727.

J. DISRUPTION TO TRANSPORTATION SYSTEMS

- 1. The President, the SECDEF, the CDR of USTRANSCOM, a USTRANSCOM TCC CDR, a theater CDR or others can provide guidance or direction as to the routing of traffic or management of DOD movements in response to special situations where there is disruption in or impediments to normal transportation services.
- 2. Special situations include, but are not limited to, national/regional/local emergencies, disasters, traffic congestion, strikes, embargos, and operational conditions.
- 3. Any guidance or direction provided is subject to any legally imposed limitation such as statutory, regulatory, or contractual requirements.
- 4. When there is a disruption to the transportation system, USTRANSCOM (upon notification by a USTRANSCOM TCC or other activity), a USTRANSCOM TCC or the theater CDR, will disseminate, to affected TOs, the following information:
 - a. Reason for special situation.
 - b. Name of activity affected.
 - c. Mode and carrier involved.
 - d. Type of traffic limited.
 - e. Exception, if any, to the limitation on transportation.
 - f. Alternative means available to move the cargo to lessen the disruption to DOD movements.
- 5. When a DOD activity experiences or anticipates a disruption in the transportation system that may adversely influence its ability to ship or receive DOD shipments, the TO (including DCMA TOs) will immediately notify a USTRANSCOM TCC or the theater CDR. The TO will provide a USTRANSCOM TCC or the theater CDR all information and seek its assistance in determining alternative routes or modes and any legal actions needed to overcome or reduce the disruption in DOD transportation.

6. If the TO requests, then a USTRANSCOM TCC or the theater CDR will assist the TO in acquiring the authorization or legal action needed to overcome or lessen the disruption to DOD transportation requirements.

K. RAIL ABANDONMENT ASSISTANCE

Through the Railroads for National Defense Program, SDDC TEA is responsible for assisting the Services and installations with resolving commercial rail line abandonment. A number of options have been developed to ensure continued essential rail service to DOD installations. TOs will contact the SDDC TEA at DSN: 927-4313, Commercial: 757 599-1117 or 800 722-0727.

L. TRANSPORTATION PROCUREMENT POLICY-APPLIES TO BOTH FAR AND NON-FAR PROCUREMENTS OF TRANSPORTATION OR RELATED SERVICES

- 1. The acquisition of transportation and transportation related services must fulfill the customer's intermodal movement requirements from origin to destination.
- 2. The acquisition process will involve the customer and carriers early in and throughout the acquisition process.
- 3. When it is beneficial to the DOD, then the DOD may join with other Federal Government Agencies to use transportation services procurement instruments negotiated by those Agencies. In addition, other federal Agencies may use DOD procurement instruments.
- 4. Traffic managers and shipping activities will seek full and open competition to the maximum extent possible from qualified carriers. DOD traffic managers and shipping activities must not exclude any transportation mode in awarding traffic or transportation related service contracts, except if the SDDC Director of Operations or designated official makes a written determination that awarding the traffic to a particular mode is necessary for military readiness to ensure the necessary transportation infrastructure availability for mobilization or for national security, then the exclusion of other modes for a particular transportation requirement(s) is authorized.
- 5. DOD activities will use best-commercial practices and streamline "best-value" acquisition processes and include performance-based specifications when acquiring transportation services. The following are some of the determining factors that may be considered: quality of service, past performance, cost/price, service provisions, claims experience, provider availability and commitment of transportation assets to readiness support. Cost/price is a mandatory factor for all procurements.
- 6. The acquisition of transportation and related services will incorporate efficient documentation, billing and payment processes, and, to the maximum extent possible, will require the use of Electronic Commerce/Electronic Data Interchange (EC/EDI) for solicitations, movement documents, financial transactions and payment through Electronic Funds Transfer (EFT).
- 7. Transportation Payments (31 U.S.C. § 3726, Payment for Transportation, 40 U.S.C. § 486, Policies, Regulations, and Delegations, 41 CFR Part 102-118, Transportation Payment and Audit, and Management Reform Memorandum [MRM] #15-- Reengineering Defense Transportation Documentation and Financial Processes). For CONUS freight shipments, DOD uses PowerTrack as the electronic payment method. Generally, DOD contracts will require use of PowerTrack and will specify that PowerTrack is a prerequisite to carriers' performance. TO and contracting

- officers will only offer DOD cargo movements to commercial carriers offering PowerTrack as their billing and payment system.
- 8. Acquisitions for transportation or related services will require carriers to furnish ITV data to, or accessibility by, the DOD AIS.
- 9. Air and ocean carriers with direct contracts with DOD must commit to support DOD contingency requirements through participation in the CRAF and the VISA programs as a condition for receiving DOD business.
- 10. Contracts with Third Party Logistics (3PL) providers for logistic support and base operations functions during wars, contingencies, disasters, and humanitarian assistance, when the infrastructure to move material may be constrained, will include a requirement that the 3PL providers integrate their transportation operations with the deployment process.
- 11. To the maximum extent possible, procurement instruments with carriers will allow their use by DOD contractors, vendors, and 3PL providers moving DOD freight.
- 12. DOD uses a number of different procurement instruments to purchase transportation and related services. These instruments include FAR contracts, Bill of Lading (BL), government transportation requests and similar transportation forms. (See 40 U.S.C. § 481 et seq., Procurement, Warehousing, and Related Activities, 49 U.S.C. §§ 10721, Government Traffic, 13712, Government Traffic, and 15504, Government Traffic, and 48 CFR Parts 47, Transportation, and 242, Contract Administration and Audit Services). The decision as to the procurement instrument will be based on the needs of the customers, duration of the requirement, value of the transportation services provided, and the cost of implementing the procurement process relative to the cost of services acquired are factors used to determine the procurement method.

13. Responsibilities.

- ustranscom is primarily responsible for acquiring common-user transportation and related services to meet DOD transportation requirements in excess of DOD organic capability.
- b. USTRANSCOM/DDOC, SDDC, and theater CDRs will provide transportation rate quoting service. Rates are available in the Global Freight Management (GFM) system. TOs can request tenders on file or estimated rates from transportation service providers when there are no tenders on file. TOs may need the rates for budgetary purpose or other reasons.
- c. TCCs or theater CDRs will negotiate with commercial carriers to establish or modify rates, charges, rules, and accessorial services. Negotiations will include DOD and Foreign Military Sales (FMS) volume movements and may include other federal Agencies and DOD contractor requirements to the maximum extent allowable.
- d. TOs will route traffic IAW the requirements of this regulation.
 - (1) Reporting of volume movements permits SDDC transportation personnel to determine the reasonableness of current rates and to negotiate adjusted or modified rates. The TO will submit Volume Movement Requests (VMRs) or other requesting documentation

that includes all information necessary to accurately describe the requirement and to fairly compete the requirement to SDDC when one of the following occurs:

- (a) Estimated shipments from one origin point to a single destination will total (in one year) 25 Carloads (CLs), 25 Truckloads (TLs), or 500,000 pounds or more.
- (b) The current routing in effect is insufficient.
- (c) Transportation factors indicate a better rate and/or service is obtainable.
- (d) The shipment is a unique requirement that cannot be supported by GFM.
- (2) When there is a FAR procurement of supplies or movement of freight involving transportation or transportation services, the TO will support the procurement by providing the contracting officer the transportation factors required for solicitation, award, contract administration, and any other required support. (See 48 CFR 47.301-1, Responsibilities of Contracting Officers).
- (3) Provide timely carrier performance information to SDDC.
- (4) Perform prepayment audits of all carriers' invoices/Electronic Bills (eBills) before authorizing payment under PowerTrack.

M. PROCUREMENT

- Carrier Qualifications. Only SDDC qualified carriers can transport DOD surface cargo. AMC is
 responsible for determining civil air carrier eligibility and suitability of airlift carriers. TOs can
 use only qualified carriers and will check with SDDC when questions arise concerning a carrier's
 status.
- 2. All DOD contracts must include, as a minimum, the following transportation instructions.
 - a. All shipments must comply with ITV requirements by providing movement data to GTN via EDI using American National Standards Institute (ANSI) X12 codes (SDDC Freight Traffic Rules Publication [MFTRP] NO. 1C, Item 13).
 - b. All shipments will comply with DOD AIT standards (DOD AIT Policy for Logistics Operations, www.dodait.com). As a minimum, shipments must contain a Two-Dimensional (2D) bar coding.
 - c. All planeload/shipload movements going to an OCONUS destination (prior to movement) must be cleared through the USTRANSCOM DDOC, by calling Commercial: 618 229-1698 or DSN: 779-1698.
 - d. All export OCONUS shipments entering the DTS must be precleared using an Advanced Transportation Control and Movement Document(s) (ATCMDs) through the sponsoring shipper service Airlift Clearance Authority (ACA) or OCCA. If there are any questions concerning the clearance requirements, contact the USTRANSCOM DDOC, at Commercial: 618 229-1698 or DSN: 779-1698.

3. FAR transportation procurement.

- a. A warranted contracting officer can procure transportation and related services using a FAR instrument tailored to the customers needs. These contracts create enforceable contractual obligations between the carrier and the DOD activity. Thus, affording shippers long-term transportation stability and allows the providing of services not available under tenders, tariffs and BLs. A FAR contract is suitable for any DOD traffic regardless of commodity or transportation requirement. They are best where there is a requirement for recurring traffic for a long period, a large volume, or an oversized movement. Consider any requirements or shipper requests for a FAR contract if a long-term contract relationship will result in any of the following:
 - (1) Reduced transportation and administrative costs/work load for the Government.
 - (2) Stabilized transportation rates for the term of the contract.
 - (3) Reduced transit times.
 - (4) The shipper requires unique transportation services.
 - (5) Improved supply support responsiveness.
 - (6) Improved transportation service provider on-time pickup and delivery.
 - (7) Time permits.

N. SDDC TRANSPORTATION PROCUREMENT SUPPORT

- 1. FAR Contracting Support.
 - a. SDDC provides advice and procurement services for FAR procurements. If a shipping activity desires a FAR transportation contract, then it can request SDDC to establish a contract. SDDC will work with the shipping activity to establish the type of contract to support its needs. The shipper will provide a request and the following information to SDDC Operations Center Business Support Division to process a FAR contract:
 - (1) Performance Work Statement. A statement of the transportation requirement in sufficient detail to enable a transportation service provider to make an informed and responsive offer and allow fair and adequate competition.
 - (2) Any relevant procurement history concerning this requirement.
 - (3) A list that identifies the items or services being acquired as separately identified line items. This is known as a Schedule B under the uniform contract format. (See 48 CFR subpart 15.204, Contract Format.)
 - (4) Independent Government Cost Estimate. Average rates, based on historical data, used in the development of rates for proposed tasks.

- (5) Quality Assurance Surveillance Plan. Performance method used to determine whether the contractor is effectively and efficiently complying with all terms and conditions of the contract.
- (6) Market Survey. A market survey is any attempt by the shipper to ascertain whether there are carriers capable of satisfying the requirement for transportation or related services.
- (7) COR. Identify possible COR (SDDC may act as the COR). Duties and responsibilities will be IAW the FAR.
- (8) Participate in evaluating proposals and advising in the selection process.
- b. Protests and Disputes are governed by 48 CFR Part 33, Protests, Disputes, and Appeals.
- 2. Rate Quotes Tenders (Non-FAR procurements under 40 U.S.C. 481 et seq). Tenders are not contracts. They are a carrier's offer to provide services at the quoted rate. The contract is created after the TO offers the movement and the carrier accepts the movement under a BL. These are generally best suited for simple procurements where best value is deemed the low cost responsive carrier. It is not suitable when a shipper needs a cost/price technical tradeoff analysis to determine the best value carrier.
 - a. TCCs or theater CDRs will solicit rate quotes (tenders) from commercial carriers and distribute these rates to DOD shipping activities. The TCCs or CDRs can negotiate special tender rates for shippers. There are several tender of service instruments available.
 - b. The SDDC Voluntary Tenders System. An electronic system where SDDC qualified carriers can submit rates for transportation or related services into its database system that allows the TO ability to access rates and route traffic movements without submitting special requirement documents. Currently, this system is the GFM.
- 3. SDDC Negotiated Special. These are tenders for particular shipments, routes or requirements that SDDC specifically solicited the rates.
 - a. Types:
 - (1) Short Term. (Spot bid or one-time-only) A special tender with rates for a volume of traffic moving on a single BL. There are two types of bids; traditional and electronic. TOs will submit a VMR when a condition listed in Paragraph L.13.d exists. In addition, the TO will submit any evaluation factors they will consider in their selection determination.
 - (2) The TO will furnish the VMR as soon as possible before the movement start date to the SDDC Operations Center or theater CDR for negotiations with carriers. Submit VMRs using automated or DD Form 1085, Domestic Freight Routing Request and Order, (See Figure 202-1) format and annotate remarks section "This is a VMR and request for route order". VMRs may be submitted any time before the movement start date but the desirable negotiation lead time is more than 30 days for rail and more than 10 days for other modes. The transportation will occur during an 89-day period. The carrier offers these rates for not less than 89 days.

- (a) SDDC and theater CDR will provide VMR originators a written response to each request, including any cost avoidance through successful negotiation.
- (b) SDDC will rate tenders according to the evaluation factors provided.

b. Short Term types:

- (1) Traditional Spot Bid (one-time-only or direct negotiation).
 - (a) The TO submits a written VMR. A TO may conduct verbal negotiation in an emergency; however; the TO must submit a written request as soon as possible.
 - (b) Based on the request, SDDC solicits quotes from qualified carriers that perform the requested service. Once all quotes (bids) are received, SDDC reviews the bids and provides the TO a list of responsive bids and provides a recommendation as to the best value carrier based on the solicitation requirements and evaluation factors.
 - (c) The TO reviews the bids submitted and the SDDC recommendation. The TO makes a price reasonableness and best value determination and then awards the traffic. The TO does not have to accept the SDDC recommended carrier. If the TO selects another carrier than the SDDC recommend carrier, the TO must notify SDDC as soon as possible.
 - (d) If the TO selects a carrier other than the low cost carrier, they must document their rationale for their decision in writing and provide a copy to SDDC.
- (2) Electronic Spot bid (Spot bid on the web). An integrated electronic rate quoting process. This process allows a TO to post a shipment electronically on the SDDC website. DOD qualified carriers can submit rates in response to the posted requirement. The TO selects the best value carriers offer and awards the traffic electronically.
 - (a) Spot bid on the web is suitable for all types of freight movements, to include overdimensional, overweight shipments, and less-load shipments. The system supports shipments where no existing tender is on file, repetitive shipments, and VMRs.
 - (b) All submitted bids reflect an all-inclusive expense representing linehaul, accessorial, and protective services plus any additional charges.
 - (c) TOs will compare rates provided by the carriers with rates on file with GFM and make a price reasonableness and best value determination.
 - (d) If the TO does not select the low cost carrier, the TO must document their reasons for nonselection of the low cost carrier and provide a copy to SDDC.
 - (e) The TO must comply with the SDDC Spot Bid Business Rules.
 - (f) The TO will award the traffic by issuing a BL.
 - (g) For Spot Bid Business Rules on Electronic Transportation Acquisition (ETA), go to: http://www.sddc.army.mil/CONTENT/1500/spotbidrules.pdf.

- c. Long-Term types. Special tenders are also known as Standing Route Order (SRO). A SRO is a request for tender with rates that remain in effect for a specific time period for a particular route or shipment(s). Usually, a SRO involves a volume of traffic that moves in separate shipments over a period greater than 89 days but not to exceed 365 days.
 - (1) The TO submits a VMR and any other relevant information concerning the transportation and related services to SDDC. It is critical that the TO and SDDC work together to obtain the best rates and service.
 - (2) After SDDC receives the request and all necessary requirement information, it solicits all qualified carriers that provide the required service to submit quotes.
 - (3) Once bids are received, SDDC reviews and determines which are responsive and provides a list that ranks the responsive bids based on the best value evaluation to the TO.
 - (4) The TO will compare rates provided by the carriers with rates on file with GFM and make a price reasonableness and best value determination.
 - (5) The TO selects a primary carrier and alternative carriers to offered future shipments based on their SRO quote.
 - (6) If the TO does not select the low cost carrier, the primary carrier, or the next low cost carrier as the alternate, then the TO must document their reasons for nonselection of the low cost carriers and provide a copy of their reasons to SDDC.
 - (7) The TO awards the traffic and creates the contract by issuing a BL.
- 4. Protests. The Government Accountability Office generally does not consider protests of transportation procurements using tender rates. To ensure the fairness of the tender procurement process, SDDC will investigate and attempt to resolve any valid issues. Carriers must send preaward protests to SDDC or the TO, who made the award, before the awarded carrier begins to provide any transportation or any related services for the shipment. The TO will issue a post award protest decision. Untimely filing by a carrier will result in the denial of the protest.
- 5. Payment Disputes. (31 U.S.C. § 3726, 40 U.S.C. § 486, and 41 CFR Part 102-118). The TO and/or SDDC will attempt to resolve all transportation disputes. If the TO or SDDC cannot resolve the dispute, they can forward all relevant documents to the General Services Administration, Federal Supply Service, Audit Division (FBA), 1800 F Street NW, Washington, DC 20405 for a determination IAW 41 CFR Part 102-118.315, What Must My Agency Do If The TSP Disputes The Findings And My Agency Cannot Resolve The Dispute.

O. GOVERNMENT/MILITARY-OWNED OR ORGANIC ASSETS

DOD will maintain and operate in peacetime only those owned or controlled transportation resources, including assets leased or chartered for periods greater than 90 days, needed to meet approved DOD emergency and wartime requirements that cannot be met readily from commercial transportation sources. (For OCONUS, the requirement for non-availability of commercial transportation may not apply). Use these transportation resources during peacetime as efficiently as possible to provide essential training for operational personnel, and to meet logistics needs consistent with fostering the development of militarily useful commercial capabilities. Use commercial carriers for requirements

in excess of DOD capability. DOD-owned or controlled transportation resources will be used for official purposes only.

P. TRANSPORTATION FACILITIES GUIDE (TFG)

- 1. TOs (CONUS and OCONUS freight TOs as listed in Appendix H) are required to update their TFG record as follows:
 - a. On a semi-annual basis for secure holding areas.
 - b. On an annual basis for installations not participating in the secure holding area program.
 - c. Immediately whenever critical operational changes are made, such as:
 - (1) Changes in operating hours.
 - (2) Installations closures, e.g., holiday closure or inventory closure.
- 2. The SDDC Operations Center will update secure holding area information on an as-needed basis when the information is not current.
- 3. Proposed revisions that would modify terms of delivery, delay receipt, or increase transportation costs must be approved at major command level and coordinated with shipper Service HQs prior to or initiating any online changes.
- 4. An online tutorial is provided on the TFG web site available at https://eta.sddc.army.mil. Once at the ETA site, click General, Transportation Facilities Guide Update, and the second tab is the Tutorial. The tutorial provides users with step-by-step procedures to use the TFG application system to update records.
- 5. TOs are required to provide SDDC (SDG3-GD-C) a notice 90 days in advance of ceasing their transportation operations to ensure TFG entries, Bill of Lading Office Codes (BLOCs), and commercial industry products supporting the DOD are updated or deactivated accordingly.

Q. SWITCHING OR CUSTOMER SIDETRACK AGREEMENTS

These are operational agreements that define the rights and obligations of carriers and their customers in the performance of transportation over the trackage owned by the customer. They are normally matters that are the subject of tariff provisions and are in the realm of general law. When it is determined that a formal agreement is in the best interest of the Government, a formal switching or customer sidetrack agreement will be established with the railroad.

1. Agreements.

a. A switching or customer sidetrack agreement is a written agreement stating the terms under which the connecting railroad will operate over a customer's trackage. It is written to suit the circumstances of a particular location and is normally accompanied by a diagram illustrating the location of the trackage referred to in the agreement and delineating boundaries of ownership and operation, locations where inbound cars will be delivered, and outbound cars picked up. Switching or customer sidetrack agreements, between a railroad and its customer, should not be confused with trackage rights agreements, which are between two railroads.

- b. A trackage rights agreement is a written agreement between railroad carriers allowing one railroad to operate over a section of trackage owned by another railroad. The railroad having trackage rights may or may not have the right granted to it in the agreement to serve customers located along the trackage over which it has rights. Trackage rights agreements, between two railroads, should not be confused with switching or customer sidetrack agreements, which are between a railroad and a customer.
- 2. DOD Military Installations, SDDC, Army Corps of Engineers, and Naval Facilities Engineering Command (NAVFAC) HQ, NAVFAC Engineering field Divisions and Engineering Field Activities (Real Estate Divisions) are directly involved in military installations requiring rail service. Military installations may be required to enter into a switching or customer sidetrack agreement or amend an existing agreement with the servicing railroad(s) due to some of following changes: ownership and maintenance, reductions or enlargements, operation, liability, right of entry, clearances, terms of agreement, termination, ordering of services, rate schedule, or tariff changes

3. Responsibilities:

- a. The TO will conduct initial negotiations with carriers for switching or customer sidetrack agreements. In preparing an agreement, the TOs will ensure that the provisions do not involve items requiring a FAR procurement contract. Request assistance through the shipper Service HQ to SDDC Operations Center, ATTN: SDG3-GD-BP, 661 Sheppard Place, Fort Eustis, VA 23604-5000 when differences with carriers cannot be satisfactorily resolved. Forward new or revised agreements, prior to execution, through the shipper Service HQ to SDDC Operations Center, ATTN: SDG3-GD-BP, 661 Sheppard Place, Fort Eustis, VA 23604-5000 for review and approval.
- b. SDDC will provide advisory and negotiation support to the TO in establishing or renegotiating a switching or customer sidetrack trackage agreement.
- c. SDDC will review the agreement and concur before finalization of any agreement.

R. DTR PROGRAM ADMINISTRATION

- 1. DTR maintenance responsibilities.
 - a. The DOD DTR Administrator:
 - (1) Performs directive analysis functions in coordination with the Services/Agencies.
 - (2) Recommends improvements and additional policies.
 - (3) Resolves issues concerning procedural matters within 30 days after receipt of all comments.
 - (4) Develops, publishes, and maintains this regulation in a current status. This includes the responsibility to:
 - (a) Evaluate and coordinate change proposals with the Services/Agencies.

- (b) Disseminate to Services/Agencies a status of all change proposals that have not been approved for publication.
- (c) Ensure compatibility of DTR procedures with those of the other Defense Logistics Standard Systems (DLSS) and related DOD logistics task groups, prior to final coordination with the Services/Agencies.
- (5) Reviews and coordinates with Services/Agencies all requests for policy and procedures deviations and exemptions.
- (6) Establishes an Oversight Working Group. The Oversight Working Group will be composed of members from the Departments of the Army, Air Force, and Navy; the US Marine Corps; the US Coast Guard; the DLA; the DCMA (non-voting); and the GSA (non-voting). The Oversight Working Group will be chaired by USTRANSCOM. The Oversight Working Group members will be at the O-6/GS-15 level, as designated by the Service or Agency HQ. The Oversight Working Group will meet on a quarterly or as needed basis. Except as noted, each Oversight Working Group member will have an equal vote in matters pertaining to changes to the DTR. Oversight Working Group members will designate an alternate to represent their organization in their absence. The action of the alternate will be equivalent to that of the primary member being represented.
- (7) Establishes Action Officer (AO) Working Groups for each of the individual parts of the DTR. These Working Groups will be composed of members from the Departments of the Army, Air Force, and Navy; the US Marine Corps; the US Coast Guard; the DLA; the DCMA; and the GSA. Each of the Working Groups will be chaired by USTRANSCOM. The AO Working Groups will identify and evaluate issues pertaining to transportation operating procedures and automated systems for the effective and efficient transportation of DOD assets through the DTS and will propose and coordinate changes to the DTR. An emphasis will be placed on the use of electronic communication, e.g., e-mail, or conference call to minimize travel and maximize issue visibility. To that end, a listing of POC e-mail addresses for each individual AO Working Group will be maintained by USTRANSCOM and disseminated among the individual groups. This will allow maximum usage of e-mail and will allow everyone in the individual AO Working Group to be included in electronic correspondence regarding issues. The AO Working Group will meet to work/resolve difficult issues. The individual members of these groups will be expected to obtain coordination/approval regarding issues pertaining to their portion of the DTR from their respective Oversight Working Group representative. All issues that cannot be resolved in the AO Working Group will be elevated to the Oversight Working Group for resolution.
- b. DTR Oversight Working Group and AO Working Group.
 - (1) The following offices have been designated as members of the Oversight Working and AO Working Group for this Regulation:

United States Transportation Command US Transportation Command

ATTN: TCJ5-PT 508 Scott Drive

Scott AFB, IL 62225-7001

Army Commander

> **US Army Materiel Command** ATTN: AMCOPS-SLA 5001 Eisenhower Avenue Alexandria, VA 22333-0001

Navy (Part II, Cargo Movement,

Commanding Officer

Part III, Mobility, Part V, Customs) Naval Operational Logistics Support Center

ATTN: Code 02 1837 Morris St

Norfolk, VA 23511-3492

Navy (Part I, Passenger) Department of the Navy

Office of the Chief of Naval Operations

N413B

2000 Navy Pentagon

Washington, DC 20350-2000

Navy (Part IV, Personal Property) Commander

Naval Supply Systems Command

SUP 53

5450 Carlisle Pike P.O. Box 2050

Mechanicsburg, PA 17055-0791

Air Force Commander

Air Force Materiel Command

ATTN: LSO/LOT

5215 Thurlow Street, Bldg 70, Suite 5 Wright Patterson AFB, OH 45433-5540

Marine Corps Commandant of the Marine Corps

Headquarters, United States Marine Corps

2 Navy Annex (Code LPD-1) Washington, DC 20380-1775

Coast Guard US Coast Guard Headquarters

> G-SLP (Room 6216) 2100 2nd Street, SW

Washington, DC 20593-0001

GSA General Services Administration (Non-voting) Federal Supply and Services

ATTN: FSDW

Washington, DC 20406

DLA Defense Logistics Agency

> ATTN: J-3733 Rm. 4234 8725 John J. Kingman Rd Fort Belvoir, VA 22060-6221

DCMA (Non-voting)

Defense Contract Management Agency DCMA-OCT 6350 Walker Lane, Suite 300 Alexandria, VA 22310-5000

(2) The AO Working Group will:

- (a) Provide the DOD Component or participating organization position and have the authority to make decisions regarding procedures for implementing approved DOD policy.
- (b) Ensure liaison with the DOD DTR Administrator and other Services/Agencies.
- (c) Evaluate all suggested DTR changes and related beneficial suggestions originating in that Service/Agency. When the suggestion is worthy of adoption, the AO Working Group submits it as a change proposal to the DOD DTR Administrator, as outlined in Paragraph R.2.a. Suggested changes received directly by the DOD DTR Administrator are forwarded to the AO working group members for review and evaluation.
- (d) Submit recommended change proposals to the DOD DTR Administrator in the format prescribed in Paragraph R.2.a.
- (e) Develop and submit to the DOD DTR Administrator a single, coordinated position on all proposed changes within the specified time (normally 30 days).
- 2. Administering changes to the DTR.
 - a. DTR AO Working Group members will submit proposed changes to the DOD DTR Administrator. Proposed changes will contain:
 - (1) Subject: Include DTR part number, page number, and paragraph and/or sub-paragraph or Appendix.
 - (2) Issue: Explain the issue in detail and include possible interface and impacts on existing Logistic Systems.
 - (3) Recommendation: Provide proposed wording for the regulation.
 - (4) Justification: Include justification and identify known advantages and disadvantages of the proposed change.
 - (5) Systems Impact/Resource Implications: Identify the known impacts on automated systems and interfaces, whether additional funding will be required to support systems changes, and the estimated timeline for implementation of systems changes. Also identify any other known resource costs associated with the proposed change.
 - b. The DOD DTR Administrator staffs proposed changes.
 - (1) Proposed changes will be submitted to the USTRANSCOM AO Working Group POC via e-mail.

- (2) All proposed changes will be evaluated prior to staffing. The evaluation of a proposed change will include, but not be limited to, the necessity, accuracy, validity, and urgency of the change.
- (3) The USTRANSCOM AO Working Group POC will assign a unique tracking number to the proposed change. Changes will be annotated on a spreadsheet, by tracking number, and provided to the individual AO Working Group members.
- (4) USTRANSCOM POC will distribute the proposed change set quarterly to the entire AO Working Group via e-mail for review and coordination. Changes impacting electronic commerce will be coordinated with the Joint Electronic Commerce Project Office.
- (5) The AO Working Group members will have 30 calendar days to respond to the proposed quarterly change set. If the individual Working Group POC feels that the issue requires coordination with a field activity, it will be up to that Working Group POC to ensure a response is submitted within the 30-calendar day window. This time frame will be strictly adhered to in order to expedite the change process.
- (6) All responses will be information-copied to all of the other AO Working Group members plus the member of the Oversight Working Group to ensure maximum issue visibility. Responses will be coordinated with the member of the Oversight Working Group and be in the form of a concurrence, a formal request for extension of suspense, or a non-concurrence
- (7) When an issue cannot be resolved within the AO Working Group, the issue will be forwarded to the Oversight Working Group as an agenda item for resolution.
- (8) Upon approval of changes, USTRANSCOM will publish changes. Formal changes will be included in a rewritten publication and released once every two years.

S. CONTRACTING SUPPORT POLICY FOR TRANSPORTATION ACTIVITIES

- 1. This paragraph establishes an interface between transportation and contracting and stipulates policies and procedures related to transportation support of contracting for the movement of Government material from contractor and vendor plants to overseas destinations.
- 2. The FAR directs Procuring Contracting officers to obtain traffic management advice and assistance prior to contract award. It is essential that a liaison be established between the two activities to produce the best possible contractual instrument, clearly defining the responsibilities of the contractor and the Government.
- 3. The acquisition process will involve the customer and transportation service providers early in and throughout the transportation acquisition process. The involvement of transportation providers will be accomplished in a fair and equitable manner; care will be taken not to favor some firms in an industry over others.
- 4. It is the DOD policy to procure transportation and related services using streamlined "best value" acquisition processes. See definition of "Best Value."

- 5. All DOD contracts must include, as a minimum, the following transportation instructions:
 - a. All shipments moving within the DTS must comply with the DTR.
 - b. All shipments must comply with ITV requirements by providing movement data to GTN via EDI using ANSI X12 codes IAW DOD timeliness criteria or best business reporting procedures.
- 6. All shipments will comply with DOD AIT standards. As a minimum, shipments must contain 2D bar coding.
- 7. All planeload/shipload movements going to an OCONUS destination (prior to movement) must be cleared through the USTRANSCOM DDOC by calling Commercial: 618 229-1698 or DSN: 779-1698.
- 8. All export OCONUS shipments entering the DTS, except for materiel moving direct to the customer by commercial carrier, must be precleared using an ATCMD(s) through the sponsoring shipper Service clearance authority. If in doubt concerning clearance requirements, contact the USTRANSCOM DDOC at Commercial: 618 229-1698, DSN: 779-1698 or toll free: 866 622-2875.

T. TRANSPORTATION RECORDS MANAGEMENT

Each Service/Agency has specific regulations for guidance on transportation records retention time periods, e.g., Air Force Manual 37-139, <u>Records Disposition Schedule</u>, Table 24-1, <u>Transportation</u>, governs Air Force Records, Defense Logistics Agency disposition of records is governed by 36 CRF Part 1222.20 (9), <u>Agency Responsibilities</u>, DOD regulations, and the National Archives and Records Administration. See Services/Agency specific regulations for guidance on records retention time periods.

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